

COMMONWEALTH OF PENNSYLVANIA



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OFFICE OF CONSUMER ADVOCATE
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April 3, 1998

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Office of the Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, DC 20554

Via Federal Express

RE: Federal-State Joint Board Universal Service
CC Docket No. 96-45

Access Charge Reform, Price Cap Performance
Review for Local Exchange Carriers, Transport
Rate Structure and Pricing, End User Common
Line Charge
CC Docket Nos. 96-262, 94-1

Dear Secretary:

Enclosed please find an original and four copies of the Office of Consumer Advocate's Reply to the United States Telephone Association Opposition to Petitions for Reconsideration in the above-referenced matter.

Please indicate your receipt of this filing on the additional copy provided and return to the undersigned in the enclosed self-addressed, postage prepaid, envelope. Thank you.

Sincerely yours,

Philip F. McClelland
Assistant Consumer Advocate

Enclosure

cc: All parties of Record
46454

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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of

Federal-State Joint Board
Universal Service

Access Charge Reform,
Price Cap Performance Review
for Local Exchange Carriers,
Transport Rate Structure
and Pricing, End User Common
Line Charge

CC Docket No. 96-45

CC Docket Nos. 96-262, 94-1

**Reply of the Pennsylvania
Office of Consumer Advocate
to the United States Telephone Association
Opposition to Petitions for Reconsideration**

Now comes the Pennsylvania Office of Consumer Advocate ("PaOCA") and Answers the United States Telephone Association ("USTA") Opposition to Petitions for Reconsideration as it concerns the bandwidth definition of universal service. On February 10, 1998, the South Dakota Public Utilities Commission ("SDPUC"), the Washington Utilities and Transportation Commission, and the North Dakota Public Service Commission filed petitions for reconsideration of the FCC's determination issued in the Fourth Order on Reconsideration ("Fourth Order") in the Universal Service proceeding concerning the bandwidth for universal service. In the Fourth Order, the FCC revised the bandwidth for universal service from 500 Hz - 4,000 Hz to 300 Hz - 3,000 Hz. However, SDPUC has opposed such a substantial reduction in

bandwidth, and instead proposed that the bandwidth should be set at 300 Hz to 3,500 Hz to be phased in over a three year period. SDPUC Pet.

PaOCA supports the Petition of the SDPUC. PaOCA is concerned that reducing the bandwidth for voice grade service to 3,000 Hz may result in an inferior level of service to many rural customers. NARUC has noted that reducing the bandwidth to 3,000 Hz in rural areas would provide those customers with a slower modem speed than would be available in urban areas. NARUC Winter 1998 Resolution, Resolution on Definition of Voice Grade Service For Universal Service Purposes. PaOCA suggests that the intent of Section 254 was to support service in rural areas so that consumers in those areas would be able to have access to the Internet and other online services. If the bandwidth is reduced to 3,000 Hz in rural areas, rural consumers' modem speed might be reduced to such an extent that meaningful Internet access in rural areas might be unavailable.

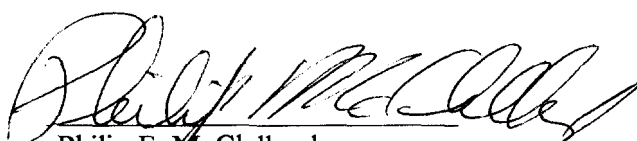
PaOCA is also sensitive to the concerns raised by USTA. USTA argues that universal service support should not be unavailable to many LECs because they have failed to meet the bandwidth requirements.¹ PaOCA suggests that the problem of unavailability of universal service funds has been largely resolved by the SDPUC proposal. SDPUC would reduce the bandwidth requirement from the originally required 4,000 Hz to 3,500 Hz. SDPUC would also

¹ PaOCA also notes that to some extent there is a contradiction between the support calculated by the cost models being used by the FCC and the 300 Hz to 3,000 Hz now required. Under most of the assumptions used by the cost models, significant fiber feeder facilities are assumed to be deployed in order to reduce the length of copper loops used in rural areas. High cost support is calculated under such an assumption. PaOCA suggests that the service provided by such cost models, and the attendant costs, would exceed the 300 Hz to 3,000 Hz requirement now set by the FCC. Reducing the bandwidth to 3,000 Hz would conflict with the type of network assumed in the cost models and the related support amounts.

allow this requirement to be phased in over a number of years. PaOCA suggests that this would allow a transition of bandwidth requirement on any facilities that do not now sustain a bandwidth of 3,500 Hz, but would not constrict rural networks to second class status indefinitely.

WHEREFORE, the Pennsylvania Office of Consumer Advocate supports the Petition filed by the South Dakota Public Utilities Commission.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Philip F. McClelland", written over a horizontal line.

Philip F. McClelland
Assistant Consumer Advocate

Counsel for:
Irwin A. Popowsky
Consumer Advocate

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Dated: April 3, 1998

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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION

In the Matter of	:	
	:	
Federal-State Joint Board	:	CC Docket No. 96-45
Universal Service	:	
	:	
Access Charge Reform,	:	
Price Cap Performance Review	:	CC Docket Nos. 96-262, 94-1
for Local Exchange Carriers,	:	
Transport Rate Structure	:	
and Pricing, End User Common	:	
Line Charge	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document,
OCA's Reply to the United States Telephone Association Opposition to Petitions for
Reconsideration, upon parties of record in this proceeding and in the manner listed below.

Dated this 3rd day of April, 1998.

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